

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice LD-520

For: State and County Offices

Lamb Meat Adjustment Assistance Program (LMAAP) Feeder Lamb Eligibility Change

Approved by: Acting Deputy Administrator, Farm Programs

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1 Overview

A

Background

Operating under the LMAAP interim rule, the sheep and lamb operation was required to do the following to be eligible for a feeder lamb payment:

- market the feeder lambs between August 1, 2000, and July 31, 2003
- own the feeder lambs in the normal course of raising lambs for slaughter continuously for 30 calendar days before the time of the qualifying marketing
- have a gross annual revenue of \$2.5 million or less in the preceding year of which payment is requested
- be engaged in the business of producing and marketing agricultural products at the time of filing the application.

Notice LD-519 informed State and County Offices that the final LMAAP regulations at 7 CFR Part 784 were filed with the FR effective March 21, 2002. According to the final rule, the eligibility criteria that allowed the sheep and lamb operation to own the feeder lambs continuously for 30 calendar days before marketing was changed to require the sheep and lamb operation to own the feeder lambs continuously from birth until the time of the qualifying marketing. The eligibility requirement was changed because under the interim rule this criteria led to attempted abuse by a few producers who falsified lamb sales records to circumvent the regulation to receive multiple payments.

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Disposal Date

December 1, 2003

Distribution

State Offices; State Offices relay to County Offices

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1 Overview (Continued)

A

Background (Continued)

The change in the feeder lamb eligibility requirements became effective on March 21, 2002, which is midway through Year 3 of LMAAP. Many County Offices did not issue feeder lamb payments for LMAAP applications received before the final rule became effective.

B

Purpose

This notice provides instructions for:

- processing feeder lamb payments for feeder lambs marketed:
 - before the effective date of the final rule
 - after the effective date of the final rule
 - canceling payments issued incorrectly.
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2 Applying the Effective Date

A

Marketings Before the Effective Date

The interim rule for feeder lambs allowing sheep and lamb operations to own the qualifying feeder lambs continuously for 30 calendar days before marketing shall be applicable to eligible sheep and lamb operations who did both of the following **before March 21, 2002**:

- marketed qualifying feeder lambs
- FAXed the Notification Sheet: Location of Self-Certified Feeder Lambs to AMS.

Sheep and lamb operations who meet this criteria must submit appropriate documentation according to subparagraph D to verify marketing dates and FAX transmission to AMS.

Note: The interim rule is applicable to applications:

- for feeder lamb payments received in the County Office before and after the effective date of the final rule
 - that meet the criteria according to this paragraph.
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2 Applying the Effective Date (Continued)

B

Marketings After the Effective Date

The eligibility requirements for feeder lambs, according to the final rule, that require the sheep and lamb operation to own the feeder lambs continuously from birth until the time of marketing will be applicable to feeder lambs marketed on and after March 21, 2002.

Applications received in the County Office for feeder lambs marketed after the effective date of the final rule must be processed according to the new eligibility requirements for feeder lambs as described in 10-LD, paragraph 32.

C

Certification on FSA-383

FSA-383 was revised to allow for the new eligibility requirements for feeder lambs in the final rule. Therefore, an eligible sheep and lamb operation that marketed qualifying feeder lambs, according to subparagraph A, may check “NO” to the question in FSA-383, item 29 and still be eligible for a feeder lamb payment.

Under these circumstances, the County Office shall indicate the following in a written statement in FSA-383, item 52:

“Supporting documentation submitted by the sheep and lamb operation verified that the qualifying feeder lambs were marketed before the effective date of the final rule and according to Notice LD-520.”

D

Supporting Documentation

To verify that feeder lambs were marketed before the effective date of the final rule, the sheep and lamb operation must provide sales documents or other documents as determined by STC or COC disclosing the following:

- date of marketing
- number of feeder lambs marketed.

Sheep and lamb operations must also submit to the County Office supporting documentation to prove that their Notification Sheet: Location of Self-Certified Feeder Lambs was FAXed before the effective date of the final rule. Acceptable documentation includes, but is not limited to, the following:

- FAX transmission report
 - FAX confirmation sheet
 - verification by AMS.
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3 Action

A COC Action

COC's shall:

- approve or disapprove requests for feeder lamb payments based on the regulatory changes made effective under the final rule on March 21, 2002
 - apply business rules according to this notice
 - determine whether the submitted documentation provides the appropriate information to verify the marketing dates of the feeder lambs.
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B County Office Action

County Offices accepting applications for a feeder lamb payment shall:

- review applications for feeder lamb payments received and/or processed after the effective date of the final rule
 - contact producers, if necessary, to determine the date the feeder lambs were marketed
 - obtain supporting documentation, if necessary, to verify the following:
 - marketing dates
 - FAX transmission to AMS
 - correct reviewed applications, if necessary, according to 10-LD, subparagraph 155 B
 - process LMAAP applications for feeder lamb payments according to business rules described in this notice.
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